

TEXT: STATE DEPARTMENT ISSUES FACTSHEET ON BIN LADIN
(Sponsor of Islamic extremist activities described)

August 14, 1996

Washington -- The State Department issued the following factsheet on Usama bin Muhammad bin Awad Bin Ladin on August 14, calling him a financier of Islamic extremist activities.

(begin text)

Usama Bin Ladin: Islamic Extremist Financier

Usama bin Muhammad bin Awad Bin Ladin is one of the most significant financial sponsors of Islamic extremist activities in the world today. One of some 20 sons of wealthy Saudi construction magnate Muhammad Bin Ladin -- founder of the Kingdom's Bin Ladin Group business empire -- Usama joined the Afghan resistance movement following the 26 December 1979 Soviet invasion of Afghanistan. "I was enraged and went there at once," he claimed in a 1993 interview. "I arrived within days, before the end of 1979."

Bin Ladin gained prominence during the Afghan war for his role in financing the recruitment, transportation, and training of Arab nationals who volunteered to fight alongside the Afghan mujahedin. By 1985, Bin Ladin had drawn on his family's wealth, plus donations received from sympathetic merchant families in the Gulf region, to organize the Islamic Salvation Foundation, or al-Qaida, for this purpose.

-- A network of al-Qaida recruitment centers and guesthouses in Egypt, Saudi Arabia, and Pakistan has enlisted and sheltered thousands of Arab recruits. This network remains active.

-- Working in conjunction with extremist groups like the Egyptian al-Gama'at al-Islamiyyah, also known as the Islamic Group, al-Qaida organized and funded camps in Afghanistan and Pakistan that provided new recruits paramilitary training in preparation for the fighting in Afghanistan.

-- Under al-Qaida auspices, Bin Ladin imported bulldozers and other heavy equipment to cut roads, tunnels, hospitals, and storage depots through Afghanistan's mountainous terrain to move and shelter fighters and supplies.

After the Soviets withdrew from Afghanistan in 1989, Bin Ladin returned to work in the family's Jeddah-based construction business. However, he continued to support militant Islamic groups that had begun targeting moderate Islamic governments in the region. Saudi

officials held Bin Ladin's passport during 1989-1991 in a bid to prevent him from solidifying contacts with extremists whom he had befriended during the Afghan war.

Bin Ladin relocated to Sudan in 1991, where he was welcomed by National Islamic Front (NIF) leader Hasan al-Turabi. In a 1994 interview, Bin Ladin claimed to have surveyed business and agricultural investment opportunities in Sudan as early as 1983. He embarked on several business ventures in Sudan in 1990, which began to thrive following his move to Khartoum. Bin Ladin also formed symbiotic business relationships with wealthy NIF members by undertaking civil infrastructure development projects on the regime's behalf:

- Bin Ladin's company, Al-Hijrah for Construction and Development, Ltd., built the Tahaddi (challenge) road linking Khartoum with Port Sudan, as well as a modern international airport near Port Sudan.

- Bin Ladin's import-export firm, Wadi al-Aqiq Company, Ltd., in conjunction with his Taba Investment Company, Ltd., secured a near monopoly over Sudan's major agricultural exports of gum, corn, sunflower, and sesame products in cooperation with prominent NIF members. At the same time, Bin Ladin's Al-Themar al-Mubarakah Agriculture Company, Ltd. grew to encompass large tracts of land near Khartoum and in eastern Sudan.

- Bin Ladin and wealthy NIF members capitalized Al-Shamal Islamic Bank in Khartoum. Bin Ladin invested \$50 million in the bank.

Bin Ladin's work force grew to include militant Afghan war veterans seeking to avoid a return to their own countries, where many stood accused of subversive and terrorist activities. In May 1993, for example, Bin Ladin financed the travel of 300 to 480 Afghan war veterans to Sudan after Islamabad launched a crackdown against extremists lingering in Pakistan. In addition to safehaven in Sudan, Bin Ladin has provided financial support to militants actively opposed to moderate Islamic governments and the West:

- Islamic extremists who perpetrated the December 1992 attempted bombings against some 100 U.S. servicemen in Aden (billeted there to support U.N. relief operations in Somalia) claimed that Bin Ladin financed their group.

- A joint Egyptian-Saudi investigation revealed in May 1993 that Bin Ladin business interests helped funnel money to Egyptian extremists, who used the cash to buy unspecified equipment, printing presses, and weapons.

- By January 1994, Bin Ladin had begun financing at least three terrorist training camps in northern Sudan (camp residents included Egyptian, Algerian, Tunisian and Palestinian extremists) in cooperation with the NIF. Bin Ladin's Al-Hijrah for Construction and Development works directly with Sudanese military officials to transport and provision

terrorists training in such camps.

-- Pakistani investigators have said that Ramzi Ahmed Yousef, the alleged mastermind of the February 1993 World Trade Center bombing, resided at the Bin Ladin-funded Bayt Ashuhada (house of martyrs) guesthouse in Peshawar during most of the three years before his apprehension in February 1995.

-- A leading member of the Egyptian extremist group al-Jihad claimed in a July 1995 interview that Bin Ladin helped fund the group and was at times witting of specific terrorist operations mounted by the group against Egyptian interests.

-- Bin Ladin remains the key financier behind the "Kunar" camp in Afghanistan, which provides terrorist training to al-Jihad and al-Gama'at al-Islamiyyah members, according to suspect terrorists captured recently by Egyptian authorities.

Bin Ladin's support for extremist causes continues despite criticisms from regional governments and his family. Algeria, Egypt, and Yemen have accused Bin Ladin of financing militant Islamic groups on their soil (Yemen reportedly sought INTERPOL's assistance to apprehend Bin Ladin during 1994). In February 1994, Riyadh revoked Bin Ladin's Saudi citizenship for behavior that "contradicts the Kingdom's interests and risks harming its relations with fraternal countries." The move prompted Bin Ladin to form the Advisory and Reformation Committee, a London-based dissident organization that by July 1995 had issued over 350 pamphlets critical of the Saudi Government. Bin Ladin has not responded to condemnation leveled against him in March 1994 by his eldest brother, Bakr Bin Ladin, who expressed, through the Saudi media, his family's "regret, denunciation, and condemnation" of Bin Ladin's extremist activities.

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